

CARES Act Coronavirus Relief Fund Allocation

GREAT NEIGHBORHOODS COMMITTEE
SEPTEMBER 16, 2020

Briefing Objectives

◀Background

◀Proposed allocation of remaining \$10 million in CARES Act Coronavirus Relief Fund (CRF)

1. Homeless Shelter Support
2. Utility Assistance
3. Rental Assistance

Background

- ◀ On May 26, 2020, City Council allocated \$20M of CARES Act Coronavirus Relief Fund (CRF) for Housing initiatives
- ◀ On June 8, 2020, City Council approved the Housing Task Force recommendation for \$10M CRF utilization
 - \$8M Rent and Mortgage Relief (RAMP)
 - \$2M Supportive Services
- ◀ **\$10M of CRF remains unallocated**



Homeless Shelter Support

Salvation Army Center of Hope Expansion Request

- ◀ **The Salvation Army Center of Hope (COH) is the main emergency shelter for women and families seeking immediate housing with services**
- ◀ **The pandemic is creating more need for shelter, while simultaneously decreasing the number of beds available due to social distancing requirements**
 - Prior to COVID-19, COH sheltered an average of 400 women and children nightly
 - As a result of COVID-19, the COH bed count has been decreased to 175, and 110 families are housed in hotels (300 individuals)

Salvation Army Center of Hope Expansion Request

- ◀ **By expanding the existing shelter, 75 beds can be added**
 - 250 people
 - 900 additional people annually
- ◀ **Renovation Details**
 - Extend back of building toward Spratt Street
 - Convert existing space to a multi-purpose room with its own entrance, laundry room, and restroom facilities to be used in extreme weather/disasters (separate from main shelter)
 - Add partitions in dorms to delineate sleeping areas, add privacy and increase public health

Salvation Army Center of Hope Community Collaboration

◀Mecklenburg County

- Annual COH Contribution: \$1.65 M
 - Includes shelter operations (\$511,000), eight social workers onsite (\$496,000), and rental subsidies to help move clients into permanent housing (\$647,000)
- Substance Abuse Treatment onsite for COH clients: \$167,000
- Coordinated Entry Staff at COH: \$159,000
- Additionally, Mecklenburg County is coordinating COVID-19 response services with Salvation Army by operating three social-distancing hotels to benefit the community since March (will run through end of year)

Salvation Army Center of Hope Community Collaboration

◀Charlotte Mecklenburg Schools

- Funds satellite learning center for COH children
- McKinney-Vento social worker on-site, to ensure youth are enrolled and going to school

◀NC Works

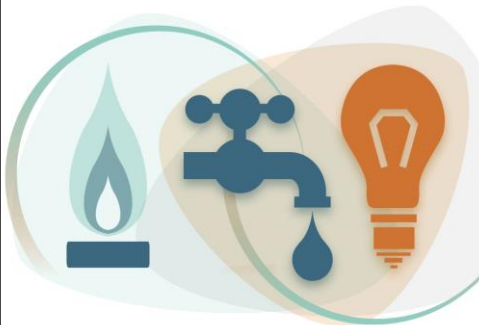
- On-site and virtual employment classes for COH clients

◀Shelter Health Services, Inc.

- Provides on-site medical care for COH residents, including prescriptions, HIV/COVID testing, and aftercare services for up to one-year

Salvation Army Renovation Request

Source	Amount
Salvation Army	\$2 Million
City CARES-CRF	\$2.5 Million
Total Renovation Costs (<i>estimated</i>)	\$4.5 Million



Utility Assistance

Utility Assistance Program

Background

◀ **HNS staff has met with Duke Energy and Charlotte Water**

◀ **As of July 31st:**

- CARES Act unemployment expired
- 66,000 residential Duke Energy accounts were in arrears in Mecklenburg County, representing \$16.5M
- 24,902 Charlotte Water accounts were past due, representing \$5M past due by > 90-days

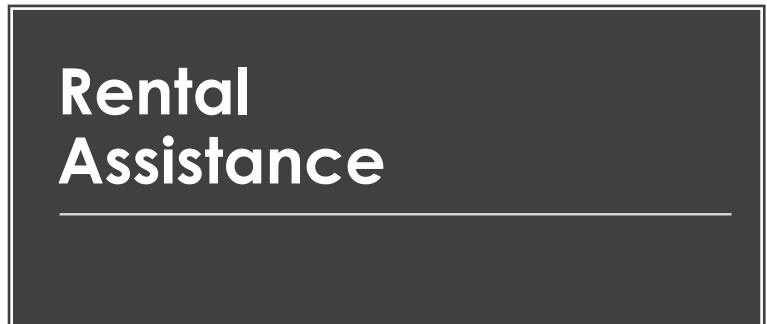
Utility Assistance Program

◀ **Allocate \$3.5M CARES-CRF for utility assistance**

◀ **Partner with The Housing Partnership and Socialserve to administer the program**

◀ **Serve approximately 4,600 low-to-moderate income households impacted by COVID-19**

- Up to 3 months utility bill assistance
- Average \$750 per household
- Can include arrears back to April 2020



Rental Assistance Program

Background

- ◀ COVID-19 has had an immediate impact on the housing stability of low-to-moderate income renters in Charlotte and the nation.
- ◀ Eviction rates are expected to continue increasing
- ◀ UNCC Urban Institute recently released a draft report: **COVID-19 Economic Impact on Renters in Mecklenburg County** report
 - Looked at Extremely Low Income (ELI) renter-households - those earning 30% or less of AMI
 - Estimated costs to cover the monthly rent of the most at-risk ELI renters ranges from \$9.3M/month (100% of rent), to \$2.8M/month (30% of rent)
 - While the report looked specifically at ELI households, the problem of housing affordability, exacerbated by the pandemic, extends to moderate-income households. Households earning between 31% - 80% AMI were also significantly cost-burdened pre-COVID

Rental Assistance Program

◀ Propose adding \$4M CARES-CRF to the existing Rent Assistance Program administered by The Housing Partnership

- Assists low-to-moderate income residents that have been negatively impacted by COVID-19
- As of September 11th, 1,365 applications have been approved, totaling \$2M in rent assistance

◀ Will help reduce COVID-related evictions, which are expected to increase

Summary of Proposed CARES-CRF Allocations

Program	Allocation Amount
Shelter Support	\$2,500,000
Utility Assistance	\$3,500,000
Rental Assistance	\$4,000,000
TOTAL	\$10,000,000

Next Steps

- ◀ **September 28th: City Council consideration of CARES-
Coronavirus Relief Fund allocation**